



San Jose Arena Authority

Annual Meeting of the Board of Directors
SAP Center at San Jose
Conference Room 1
525 West Santa Clara Street
San Jose, CA
December 5, 2018
6:00 pm

Agenda

Expected Board Attendees

Matthew Bright	Nicole Inamine
Scott Bruner	John Kennett
David Buchholz	Colleen Reilly
Jonathan Clough	Donald Rocha
Eileen Consiglio	Kathy Sutherland
Devora Davis	Eva Terrazas
Loren Haley	Vinni Walia
Leslee Hamilton	Rusty Weekes
Carl Honaker	

Staff

Chris Morrissey (Executive Director)
Shelly Wang (Administrative Assistant)
Elizabeth Klotz (Deputy City Attorney)

Guests

Mayor Sam Liccardo
John Tortora (Sharks Sports & Entertainment)
Rich Sotelo (Sharks Sports & Entertainment)

1. Call to Order/Roll Call/Introductions

2. General Business

- a. Review and Approve the October 2018 Regular Board Meeting Minutes
- b. Presentation on Activities with Sharks Sports & Entertainment (Tortora)
- c. Presentation of City Commendation for the 25th Anniversary of SAP Center at San Jose

3. Executive Director and Staff Reports

3.1. Executive Director (Morrissey)

- a. Accept Verbal Reports on Arena Authority Oversight
 - SAP Center at San Jose
 - Solar4America Ice at San Jose
 - San Jose Municipal Stadium
- b. Accept Reports on Arena Authority Administrative Issues
 - VTA/BART Downtown/Diridon Community Working Group (CWG; verbal)
 - Emergency Resources Network (ERN; verbal)
 - South Campus Operations Team (SCOT; verbal)
 - City of San Jose Emergency Resources Council

3.2. Administrative Assistant (Wang)

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose

4. Committee Reports

- 4.1. *Standing Executive Committee (Chair: Hamilton)*
 - a. Accept Verbal Report on the City / Arena Authority Restated Agreement
 - b. Accept Verbal Report on City Funding Discussions
 - c. Accept Verbal Report on the Station Area Advisory Group (SAAG)
- 4.2. *Standing Finance Committee (Chair: Bright)*
 - a. Review and Approve September 2018 Financial Statements
 - b. Review and Approved Fiscal Year 2017-18 Financial Compilation Report
- 4.3. *Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)*
 - a. Accept Report on the 2018 San Jose Sports Hall of Fame Program
- 4.4. *Standing Facilities Committee (Co-Chairs: Buchholz, Clough)*
 - a. Accept Verbal Reports on Capital Budget Preparations for SAP Center at San Jose and Solar4America Ice at San Jose
 - b. Accept Report on Capital Work Invoices for SAP Center at San Jose and Solar4America Ice at San Jose
- 4.5. *Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)*
 - a. Accept Verbal Report on Capital Budget Preparation for San Jose Municipal Stadium
- 4.6. *Ad Hoc Board Recruitment Committee (Chair: Sutherland)*
 - a. Accept Verbal Report on Current Board Vacancies
- 4.7. *Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)*
 - a. Accept Reports on Recent City and Community Events Program Activity:
 - Youth Connections Foundation of San Jose
 - San Jose Sports Hall of Fame

5. Open Forum

6. Adjournment

All public records relating to an open session on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the office of the San Jose Arena Authority, SAP Center at San Jose, 525 W. Santa Clara Street, San Jose CA 95113 at the same time that the public records are distributed or made available to the legislative body.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact the San Jose Arena Authority at 408-977-4780 or 408-977-4779 (TTY) or contact wang@sjaa.com as soon as possible but at least three business days before the meeting/event.

November 27, 2018

San Jose Arena Authority

Regular Meeting of the Board of Directors
Simpkins Stadium Center
Gold Room
1240 South Seventh Street
San Jose, CA
October 24, 2018
4:00 pm

Meeting Minutes

Board Members in Attendance

Matthew Bright	Leslee Hamilton
David Buchholz	John Kennett
Jonathan Clough	Kathy Sutherland
Eileen Consiglio	Vinni Walia
Devora Davis	

Board Members Not in Attendance

Scott Bruner	Donald Rocha
Loren Haley	Dylon Simon
Carl Honaker	Eva Terrazas
Colleen Reilly	Rusty Weekes

Staff in Attendance

Chris Morrissey (Executive Director)
Shelly Wang (Administrative Assistant)
Elizabeth Klotz (Deputy City Attorney)

Guests in Attendance

Phillip Fernandez
Nicole Inamine (Mayor's Office)
Steve O'Brien (San Jose State University Athletics)
Marie Tuite (San Jose State University Athletics)

1. Call to Order/Roll Call/Introductions. The Arena Authority convened the Regular Meeting of the Board of Directors at 4:04 pm.
2. General Business
 - a. Review and Approve the September 2018 Regular Board Meeting Minutes. Approved. Eight approvals. 1st: Kennett, 2nd: Clough.
3. Executive Director and Staff Reports
 - 3.1. Executive Director (Morrissey)
 - a. Accept Verbal Reports on Arena Authority Oversight.
 - SAP Center at San Jose. The Sharks opened their 2018-19 season at home on October 3 against the Anaheim Ducks. On October 12, the Golden State Warriors played a preseason game against the Los Angeles Lakers. Planning continues for the 2019 NHL All-Star Game at SAP Center at San Jose. There will be a media event at the Center prior to the College Championship game in early January. Event planning also continues for the NCAA Men's Regional Basketball Tournament scheduled for March 2019. BART project work continues in the Downtown core as underground utilities are inspected. New dynamic message signs are scheduled to be installed in the vicinity of the Center from January to May 2019.

- Solar4America Ice at San Jose. No Report
- San Jose Municipal Stadium. The Municipal Stadium Agreement is expiring in December 2018. City staff and representatives from the Giants have begun a dialogue to complete the new agreement before the end of the year.

- b. Accept Verbal Reports on Arena Authority Administrative Issues.
 - VTA/BART Downtown/Diridon Community Working Group (CWG). The next CWG meeting is scheduled for November.
 - Emergency Resources Network (ERN). City staff, City emergency responders and facility operators met to discuss physical barriers at City facilities.
 - South Campus Operations Team (SCOT). A representative from the City's Housing Department has been invited to attend a future SCOT meeting to discuss homelessness in the south campus area.
- c. Accept Verbal Reports from San Jose State University Athletics.
 - Athletic Facilities Update (at end of meeting). Marie Tuite, Director of Athletics for San Jose State University, provided an update on sports programs and facilities.
 - Athletic Facilities Tour (at end of meeting). Athletic Department representatives Steve O'Brien and Garrett Ton led a tour of the new athletic facilities.

3.2. Administrative Assistant (Wang)

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose. See agenda item 3.2.a.
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose. Due to a mandate from the National Hockey League, Solar4America Ice at San Jose is implementing enhanced security measures for Sharks practices. Solar4America Ice at San Jose will host the International Silver Stick Tournament over the Thanksgiving weekend.
- c. Accept FY 2017-18 Report on the Arena Ticket Distribution Program. See agenda item 3.2.c.

4. Committee Reports

4.1. Standing Executive Committee (Chair: Hamilton)

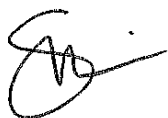
- a. Accept Verbal Report on the December Arena Authority Annual Meeting. The Arena Authority's next meeting will be the Annual Meeting that will take place on Wednesday, December 5. The meeting will follow with Board recognition in the City Suite.
- b. Accept Verbal Report on the City / Arena Authority Restated Agreement. The restated agreement between the City of San Jose and the Arena Authority has expired and Arena Authority and City staffs are working together on a new agreement.
- c. Accept Verbal Report on City Funding Issue. As the City and Arena Authority work to update the agreement, the issue of Authority funding will be addressed through the drafting of the revised agreement.
- d. Accept Verbal Report on the Station Area Advisory Group (SAAG). At the last SAAG meeting, it was announced that the Diridon Station Committee is working on potential station designs.

4.2. Standing Finance Committee (Chair: Bright)

- a. Review and Approve July and August 2018 Financial Statements. Approved. Eight approvals.

- 4.3. Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)
a. Accept Verbal Report on the 2018 San Jose Sports Hall of Fame Program. The Sports Hall of Fame induction dinner and ceremony has been confirmed for November 14, 2018 at SAP Center at San Jose.
- 4.4. Standing Facilities Committee (Co-Chairs: Buchholz, Clough)
a. Accept Verbal Reports on Recent Facility Activities for SAP Center at San Jose and Solar4America Ice at San Jose. Arena Authority staff is working with SAP Center Management in drafting the FY 2019-20 capital budgets.
- 4.5. Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)
a. Accept Verbal Report on Recent San Jose Municipal Stadium Activities. See agenda item 3.1.a.
- 4.6. Ad Hoc Board Recruitment Committee (Chair: Sutherland)
a. Accept Verbal Report on Current Board Vacancies. The Board vacancy notice has been shared with the SCOT members in an effort to find a representative from the south campus area for the Arena Authority Board.
- 4.7. Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)
a. Accept Report on Current City and Community Events Program Activity. See agenda item 4.7.a.
b. Accept Report on City and Community Events Program Applicant:
• Youth Connections Foundation of San Jose. The Youth Connections Foundation of San Jose has secured November 9, 2018 at SAP Center at San Jose to host the Comedy for Kids Fundraiser.
5. Open Forum. None.
6. Adjournment. The meeting adjourned at 5:03 pm.

Submitted by:



Shelly Wang

COUNCIL AGENDA: 10/30/18
FILE: 18-1437
ITEM: 3.5



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Raymond Riordan

SUBJECT: EMERGENCY SERVICES
COUNCIL MEMBERSHIP

DATE: October 17, 2018

Approved

Date

10/18/18

RECOMMENDATION

Accept the proposed initial Emergency Services Council Membership to allow for a meeting in December 2018.

OUTCOME

Approval of the Emergency Services Council Membership will allow this Council to meet, review and approve the updated Emergency Operations Plan, approve the Curriculum, Calendar of Training and Operational Plan for the Community Emergency Response Team (CERT) and other volunteer programs, and provide direction on policies and plans required by the Emergency Services Ordinance.

BACKGROUND

The City of San José is preparing to re-launch the Community Emergency Response Team (CERT) program. In the preparation for this effort, the California Office of Emergency Services (CalOES) Volunteer Disaster Service Worker Program requires the city to have an active Disaster Council that approves the CERT Curriculum, CERT schedule of classes, method of registering CERT members as Disaster Service Workers, and a plan that describes how the CERT program is integrated and supervised during response to an emergency. The Disaster Council must approve any disaster volunteer program and listed components of the program. By following the CalOES requirements, the State of California provides immunity of liability of volunteer actions and provides Workers Compensation for any injured registered Disaster Service Worker.

HONORABLE MAYOR AND CITY COUNCIL
October 17, 2018
Subject: Emergency Services Council Membership
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The City of San José Disaster Council was established in 1947, consistent with the California Emergency Services Act, and accredited by the California Office of Emergency Services. The Council was renamed the Emergency Services Council in 2004, which was the last time it has met. The purpose of the Disaster Council or Emergency Services Council is to:

- A. Review plans and procedures and when appropriate recommend approval by the City Council.
- B. Review agreements (mutual aid or others) and when appropriate recommend approval by the City Council.
- C. Review and approve how volunteer organizations are organized and integrated with city response, including Community Emergency Response Teams (CERT), Radio Amateur Civil Emergency Services (RACES) and Search and Rescue organized volunteer programs.

City of San José Municipal Code, Chapter 8.08 states that the Emergency Services Council shall meet upon call of the chair or, in his or her absence from the city or inability to call such meeting, upon call of the vice chair. The Municipal Code further states that the City Manager shall be the director of emergency services, and shall be chair. Additional members of the Emergency Services Council include:

1. Assistant Emergency Services Director;
2. Mayor;
3. Emergency services coordinator;
4. Such chiefs of emergency services as are provided for in the current emergency plan of San José, adopted pursuant to resolution; and
5. Representatives of other organizations having an official emergency responsibility, as may be appointed by the director of emergency services with the advice and consent of the city council.

ANALYSIS

Emergency Services Council Members for items 1-4 previously listed above is clear. The City Council must consent to the list of representatives (number 5 above) of other organizations having official emergency responsibility and support during emergency response. Staff reviewed lists of members from the last meeting in 2004, looked to how other local jurisdictions have convened their Emergency Services Council, and identified a similar group. The selected list of organizations below will help identify key planning issues, identify key agencies that could provide immediate assistance in a catastrophic incident, and can provide ongoing support in planning and response to the next disaster. Staff did request City Council input at the December 1, 2017 City Council Study Session, and subsequent contacts.

The following are the staff suggested organizations that would form the initial re-initiated Emergency Services Council and who are seen as integral to the success of planning, training and response to the next disaster. Additional organizations can be identified for future inclusion.

Organization	Emergency Support Considerations
American Red Cross, Silicon Valley	Care and Shelter, Case Management
Collaborating Agencies Disaster Response Effort (CADRE)	Response and Recovery activities by coordinating non-profit organizations
Interfaith Council on Economics and Justice	Association of clergy and laity who address the crisis of vulnerable populations who require resources during a disaster, a key requirement of CalOES and FEMA planning and response plans.
City of San José Neighborhood Association	Neighborhood associations will be key in the delivery of the CERT program and can provide organized support following a disaster.
San José Arena Authority	The Arena Authority leads the Emergency Response Network that includes all the large city venues who are jointly planning and preparing for response to a catastrophic event that would require their involvement in mass care operations or other response and recovery activities
San José Unified School District	Schools are the first mass care center. Coordination with their plans and programs would be valuable.
Valley Transportation Authority	Transportation services are vital in evacuation, response and recovery
Silicon Valley Organization	Integration of private sector resources are vital for resiliency and recovery of the city
Santa Clara County Office of Emergency Services	County support for emergency response planning, training and recovery
California Office of Emergency Services (CalOES), Coastal Region	State support resources for planning, response and recovery
CalOES, Access and Functional Needs Department	All emergency plans and agreements must account for access and functional needs of our vulnerable populations
Federal Emergency Management Agency, Region IX	FEMA is the lead agent on recovery and actions required for public and individual assistance following a disaster

The Office of Emergency Management will reach out to the approved list of organizations to identify the appropriate representative. The OEM will work with the City Attorney's Office to conduct any conflict analysis with any organizations that receive funding from the City.

The Emergency Services Council will meet on an a six month basis, as the City continues to accomplish tasks from the Emergency Management Roadmap created following the 2017 Coyote Creek Flood. It will adjust to an annual meeting, as progress is made on the roadmap.

HONORABLE MAYOR AND CITY COUNCIL
October 17, 2018
Subject: Emergency Services Council Membership
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EVALUATION AND FOLLOW-UP

Upon approval of the organizational membership, staff will reach out to identify the appropriate representatives. A meeting date will be identified and invitations distributed for the first meeting targeted in December. All activities of the Emergency Services Council must follow the Brown Act and normal rules of decorum. An agenda will be posted and meeting minutes taken. The Emergency Services Council will meet at least every six months for the next two years to help move the policies, plans and programs along as the City improves its emergency preparedness and readiness. The council will then meet on at least an annual basis for the approval of CERT trainings and other volunteer programs.

PUBLIC OUTREACH

The purpose of the Emergency Services Council was discussed at:

- August 7, 2017 City Council Meeting on the 2017 Coyote Creek Flood After Action Report,
- December 1, 2017 City Council Study Session,
- May 17, 2018 Community Resiliency Plan Status Report to the Public Safety, Finance and Strategic Support Committee, and
- August 16, 2018 Emergency Management Workplan Report at the Public Safety, Finance and Strategic Support Committee.

This memorandum will be posted on the City's website for the October 30, 2018 City Council meeting agenda.

COORDINATION

This memo has been coordinated with the City Manager's Office and City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

As noted in Public Outreach, the purpose, intent, membership and input requests for the Emergency Services Council have been described in reports submitted to the Public Safety, Finance and Strategic Support Committee.

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CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

RAYMOND RIORDAN
Director, Office of Emergency Management

For questions, please contact Raymond Riordan, Director, Office of Emergency Management, at (408) 794-7055.

COMING EVENTS

Event Information: 408-287-9200
Ticketmaster: 800-745-3000



NOVEMBER

SUN	MON	TUE	WED	THU	FRI	SAT
				1 Sharks vs. Columbus 7:30pm	2 Barracuda vs. San Antonio 7:00pm	3 Sharks vs. Philadelphia 7:30pm
4	5 Barracuda vs. Stockton 7:00pm	6 Sharks vs. Minnesota 7:30pm	7	8	9 Comedy for Kids 6:00pm \$28.00-\$54.00	10
11 Sharks vs. Calgary 6:00pm	12	13 Sharks vs. Nashville 7:30pm	14	15 Sharks vs. Toronto 7:30pm	16	17 Sharks vs. St. Louis 7:30pm
18 Barracuda vs. Colorado 6:00pm	19	20 Sharks vs. Edmonton 7:30pm	21 Fleetwood Mac 8:00pm \$69.50-\$299.50	22	23 Sharks vs. Vancouver 6:00pm	24 The Comedy Get Down 8:00pm \$42.50-\$63.50
25 Pepe Aguilar y Familia 8:00pm \$64.50-\$164.50	26	27 Barracuda vs. Stockton 11:00am	28	29	30	

DECEMBER

SUN	MON	TUE	WED	THU	FRI	SAT
						1 99.7FM Presents Poptopia 7:30pm \$95.00-\$159.50
2 Ozuna 8:00pm \$53.00-\$153.00	3 Barracuda vs. Stockton 7:00pm	4	5 Sharks vs. Carolina 7:30pm	6	7	8 ALT 105.3FM Presents Not so Silent Night 6:30pm \$29.00-\$109.00
9 Barracuda vs. Bakersfield 6:00pm	10 Sharks vs. New Jersey 7:30pm	11	12 Childish Gambino 7:30pm \$49.50-\$129.50	13 Sharks vs. Dallas 7:30pm	14 An Intimate Conversation with Michelle Obama 8:00pm \$29.50-\$179.50	15
16 WWE Tables, Ladders & Chairs 3:30pm \$28.00-\$604.00	17	18	19	20 Sharks vs. Winnipeg 7:30pm	21 Barracuda vs. Tucson 7:00pm	22 Sharks vs. Los Angeles 1:00pm Barracuda vs. Tucson 6:00pm
23 Sharks vs. Arizona 6:00pm	24	25	26	27 Barracuda vs. Colorado 1:15pm Sharks vs. Anaheim 7:30pm	28	29
30 Barracuda vs. San Diego 6:00pm	31					

JANUARY

SUN	MON	TUE	WED	THU	FRI	SAT
Harlem Globetrotters		1	2	3	4	5 College Football Playoff National Championship Media Day 9:00am Sharks vs. Tampa Bay 8:00pm
6	7 Sharks vs. Los Angeles 7:30pm	8 Sharks vs. Edmonton 7:30pm	9 Barracuda vs. Ontario 7:00pm	10	11 Barracuda vs. Ontario 7:00pm	12 Sharks vs. Ottawa 7:00pm
13 Barracuda vs. Stockton 3:00pm	14	15 Sharks vs. Pittsburgh 7:00pm	16	17	18 Barracuda vs. Texas 7:00pm	19 Elton John 8:00pm \$59.50-\$249.50
20 Harlem Globetrotters 1:00pm \$27.00-\$193.00	21 Harlem Globetrotters 12:00pm \$27.00-\$193.00 Barracuda vs. Bakersfield 7:00pm	22	23	24	25 2019 NHL All Star Weekend 6:00pm	26 2019 NHL All Star Weekend 5:00pm
27	28	29	30	31		

Group Tickets are available for groups of 15 or more to many events.
For more information, please contact our Group Sales Department at 408-977-4715 or email grouptickets@sharkssports.net.

San Jose Arena Authority

STATEMENT OF ACTIVITY

September 2018

SJAA Board Meeting
December 5, 2018
Agenda Item 4.2.a.

	TOTAL
Revenue	
Interest Earned	5.88
Ticket Revenue	170.00
Total Revenue	\$175.88
GROSS PROFIT	\$175.88
Expenditures	
General Operations/Administrative	
Bank Charges & Fees	10.00
Office Expense	12.01
Subscriptions/Dues	60.94
Telephone/FAX	73.34
Total General Operations/Administrative	156.29
Personnel and related expenses	
Employee Benefits	193.66
Payroll Fees	67.00
Payroll Taxes	3,816.00
Salaries	14,198.67
Total Personnel and related expenses	18,275.33
Program Expenses	
Business Meetings.Meals	35.00
Total Program Expenses	35.00
Total Expenditures	\$18,466.62
NET OPERATING REVENUE	\$ -18,290.74
NET REVENUE	\$ -18,290.74

San Jose Arena Authority

BUDGET VS. ACTUALS: FY 2018-19 SJAA OPS BUDGET - FY19 P&L
July - September, 2018

SJAA Board Meeting
December 5, 2018
Agenda Item 4.2.a.

	JUL 2018		AUG 2018		SEP 2018		TOTAL	
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
Revenue								
Additional Rent for Solar4America Ice at San Jose		5,070.00		5,070.00		5,070.00	\$0.00	\$15,210.00
City Funding		17,166.67	254,500.00	17,166.67		17,166.67	\$254,500.00	\$51,500.01
Interest Earned	0.68	8.33	5.06	8.33	5.88	8.33	\$11.62	\$24.99
Ticket Revenue					170.00		\$170.00	\$0.00
Total Revenue	\$0.68	\$22,245.00	\$254,505.06	\$22,245.00	\$175.88	\$22,245.00	\$254,681.62	\$66,735.00
GROSS PROFIT	\$0.68	\$22,245.00	\$254,505.06	\$22,245.00	\$175.88	\$22,245.00	\$254,681.62	\$66,735.00
Expenditures								
General							\$0.00	\$0.00
Operations/Administrative								
Bank Charges & Fees	22.00	50.00	10.00	50.00	10.00	50.00	\$42.00	\$150.00
Board Expense	-89.04						\$ -89.04	\$0.00
Bookkeeping Services	0.00	250.00	137.50	250.00		250.00	\$137.50	\$750.00
CPA/Annual Audit Services		225.00		225.00		225.00	\$0.00	\$675.00
Delivery and Postage		41.67		41.67		41.67	\$0.00	\$125.01
Equipment Lease/ Maintenance/PO Box	86.10	166.67	172.20	166.67		166.67	\$258.30	\$500.01
Insurance	0.00	500.00		500.00		500.00	\$0.00	\$1,500.00
Miscellaneous Operating Reserve		200.00		200.00		200.00	\$0.00	\$600.00
Office Expense	36.93		36.93		12.01		\$85.87	\$0.00
Office Supplies	4.35	208.33	59.90	208.33		208.33	\$64.25	\$624.99
Parking & Toll	0.50		19.50				\$20.00	\$0.00
Subscriptions/Dues	41.00	83.33	122.21	83.33	60.94	83.33	\$224.15	\$249.99
Telephone/FAX	19.50	125.00	174.08	125.00	73.34	125.00	\$266.92	\$375.00
Total General	121.34	1,850.00	732.32	1,850.00	156.29	1,850.00	\$1,009.95	\$5,550.00
Operations/Administrative								
Personnel and related expenses							\$0.00	\$0.00
Employee Benefits	1,497.74	1,083.33	193.66	1,083.33	193.66	1,083.33	\$1,885.06	\$3,249.99
Payroll Fees	36.00		36.00		67.00		\$139.00	\$0.00
Payroll Taxes	631.82	1,583.33	1,263.83	1,583.33	3,816.00	1,583.33	\$5,711.65	\$4,749.99
Salaries	8,260.52	17,215.33	22,189.34	17,215.33	14,198.67	17,215.33	\$44,648.53	\$51,645.99
Vehicle Operation		200.00		200.00		200.00	\$0.00	\$600.00
Total Personnel and related expenses	10,426.08	20,081.99	23,682.83	20,081.99	18,275.33	20,081.99	\$52,384.24	\$60,245.97
Professional Services							\$0.00	\$0.00
Contractual Services		250.00		250.00		250.00	\$0.00	\$750.00
Total Professional Services		250.00		250.00		250.00	\$0.00	\$750.00
Program Expenses							\$0.00	\$0.00
Business Meetings/Meals	222.37	583.33	48.00	583.33	35.00	583.33	\$305.37	\$1,749.99
Total Program Expenses	222.37	583.33	48.00	583.33	35.00	583.33	\$305.37	\$1,749.99
Total Expenditures	\$10,769.79	\$22,765.32	\$24,463.15	\$22,765.32	\$18,466.62	\$22,765.32	\$53,699.56	\$68,295.96
NET OPERATING REVENUE	\$ -10,769.11	\$ -520.32	\$230,041.91	\$ -520.32	\$ -18,290.74	\$ -520.32	\$200,982.06	\$ -1,560.96
NET REVENUE	\$ -10,769.11	\$ -520.32	\$230,041.91	\$ -520.32	\$ -18,290.74	\$ -520.32	\$200,982.06	\$ -1,560.96

SAN JOSE ARENA AUTHORITY

FINANCIAL STATEMENTS

June 30, 2018

To the Board of Directors of the
San Jose Arena Authority

Management is responsible for the accompanying financial statements of San Jose Arena Authority (a non-profit corporation), which comprise the statement of financial position as of June 30, 2018, and the related statements of activity and cash flows for the year ended, and the related notes to the financial statements in accordance with U.S. generally accepted accounting principles. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Costantini, Immer & Reynolds

COSTANTINI, IMMER & REYNOLDS
SAN JOSE, CA

October 26, 2018

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
STATEMENT OF FINANCIAL POSITION
June 30, 2018

ASSETS

Current Assets:

Cash	\$ 39,362
Prepaid insurance	<u>3,860</u>
Total Current Assets	43,222

Office Equipment, Furniture and Fixtures, Net of
Accumulated Depreciation of \$60,496

3,298

Total Assets

\$ 46,520

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 4,256
Accrued liabilities	<u>15,150</u>
Total Current Liabilities	<u>19,406</u>

Net Assets:

Unrestricted	27,114
Temporarily restricted	<u>0</u>
Total Net Assets	<u>27,114</u>

Total Liabilities and Net Assets

\$ 46,520

See accompanying notes to the financial statements.

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenues:			
City of San Jose	\$ -	\$ 247,071	\$ 247,071
Arena seat revenue	1,872	-	1,872
Interest income	22	35	57
Donated services	5,923	-	5,923
Satisfaction of purpose restrictions	<u>247,106</u>	<u>(247,106)</u>	<u>-</u>
Total Support and Revenues	<u>254,923</u>	<u>-</u>	<u>254,923</u>
Expenses:			
Program expenses:			
Oversight of Arena	96,834	-	96,834
Ticket Distribution	29,768	-	29,768
Community Programs	28,373	-	28,373
Oversight of Ice Center	28,754	-	28,754
Oversight of Muni Stadium	19,170	-	19,170
South Campus Program	19,170	-	19,170
Administrative	<u>30,457</u>	<u>-</u>	<u>30,457</u>
Total Expenses	<u>252,526</u>	<u>-</u>	<u>252,526</u>
 Increase in Net Assets	 2,397	 -	 2,397
Net Assets:			
Beginning of year	<u>24,717</u>	<u>-</u>	<u>24,717</u>
 End of Year	 <u>\$ 27,114</u>	 <u>\$ 0</u>	 <u>\$ 27,114</u>

See accompanying notes to the financial statements.

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
For the Year Ended June 30, 2018
STATEMENT OF FUNCTIONAL EXPENSES

	Oversight of Arena	Ticket Distribution	Community Programs	Oversight of Ice Center	Oversight of Muni Stadium	South Campus Program	Administrative	Total Expenses
Wages	\$ 83,284	\$ 25,866	\$ 20,352	\$ 24,985	\$ 16,657	\$ 16,657	\$ 15,718	\$ 203,519
Payroll taxes and employee benefits	8,008	2,487	1,957	2,402	1,602	1,602	1,510	19,568
Subscriptions	237	74	58	71	47	47	45	579
Accounting	0	0	0	0	0	0	4,463	4,463
Board support expenses	0	0	0	0	0	0	1,584	1,584
Meetings	986	0	0	0	0	0	398	1,384
Advocacy support	0	0	4,950	0	0	0	0	4,950
Depreciation	549	170	134	165	110	110	104	1,342
Insurance	2,077	645	508	623	415	416	392	5,076
Equipment lease	399	124	98	120	80	80	75	976
Office supplies	292	91	71	87	59	58	55	713
Telephone and internet	580	180	142	174	116	116	110	1,418
Outside services	177	55	43	53	35	35	34	432
Miscellaneous	245	76	60	74	49	49	46	599
Donated services	0	0	0	0	0	0	5,923	5,923
Total Expenses	<u>\$ 96,834</u>	<u>\$ 29,768</u>	<u>\$ 28,373</u>	<u>\$ 28,754</u>	<u>\$ 19,170</u>	<u>\$ 19,170</u>	<u>\$ 30,457</u>	<u>\$ 252,526</u>

See accompanying notes to the financial statements.

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2018

Cash Flows From Operating Activities:	
Increase in Net Assets	\$ 2,397
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	1,342
Prepaid Insurance	(242)
Accounts payable	2,414
Accrued liabilities	<u>(347)</u>
Net Cash Provided By Operating Activities	5,564
 Cash Flows From Investing Activities	 (1,312)
 Cash Flows From Financing Activities	 <u>-</u>
 Net Increase in Cash	 4,252
 Cash:	
Beginning of year	<u>35,110</u>
 End of Year	 <u>\$ 39,362</u>

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The San Jose Arena Authority (the SJAA) was formed by resolution of the San Jose City Council to represent the City's interest in the oversight and operation of SAP Center at San Jose. The SJAA also serves as the City's community liaison concerning the day-to-day management and operation of SAP Center at San Jose. Additionally, the SJAA was designated by the San Jose City Council to evaluate the operations and management of Sharks Ice at San Jose, San Jose Municipal Stadium and the South Campus Operations Program.

Basis of Accounting:

The financial statements of the SJAA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The SJAA reports information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets as follows:

Unrestricted Net Assets—Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets—Net assets subject to donor-imposed stipulations that may or will be met either by actions of SJAA and/or the passage of time.

Permanently Restricted Net Assets—Net assets to be held in perpetuity as directed by donors. The income from the contributions is available to support activities as designated by the donors.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law.

Support and Revenues:

The majority of support and revenues are received from the City of San Jose for the operation of San Jose Arena Authority.

Recognition of Donor Restrictions:

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended June 30, 2018

Office Equipment, Furniture and Fixtures:

Office furniture and equipment is recorded at cost. Depreciation is computed on a straight-line basis over estimated useful lives of 5-20 years.

Accrued Vacation:

Vacation pay is accrued for full-time, salaried employees based upon their length of service at the following:

<u>Service</u>	<u>Vacation Days</u>
1-3 years	10 days
3-5 years	15 days
5-10 years	20 days
After 10 years and there after	25 days

There is no maximum amount of accrued vacation. Accrued vacation represents vacation carried, but not taken as of June 30, 2018 and is included in "accrued liabilities" in the statement of financial position. The accrued vacation balance as of June 30, 2018 was \$6,258.

Income Taxes:

The organization is a non-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California code sections.

Use of Estimates:

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates under different assumptions of conditions.

Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents:

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Fair value approximates carrying amounts.

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended June 30, 2018

NOTE 2 – FAIR VALUE MEASUREMENTS

The SJAA measure fair value in accordance ASC Topic 820, Fair Value Measurement. ASC 820 applies to all financial instruments that are being measured and reported on a fair value basis.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

NOTE 3 - OFFICE EQUIPMENT, FURNITURE AND FIXTURES

Office equipment, furniture and fixtures, and office improvements consist of the following at June 30, 2018:

Equipment	\$ 10,333
Furniture and fixtures/office improvements	<u>53,461</u>
	63,794
Less accumulated depreciation	<u>60,496</u>
	<u>\$ 3,298</u>

SAN JOSE ARENA AUTHORITY
(A Non-Profit California Corporation)
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

Purpose restriction accomplished:

Oversight of Arena, Sharks Ice and Municipal Stadium	<u>\$ 247,106</u>
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NOTE 5 – DONATED SERVICES

For the year ended June 30, 2018, the Organization recognized \$5,923 of donated services for tax preparation.

NOTE 6 – SUBSEQUENT EVENTS

The management of the SJAA have reviewed the results of operations and evaluated subsequent events for the period of time from its year end June 30, 2018 through October 26, 2018, the date the combined financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying combined financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

San Jose Arena Authority

Memorandum

To: Enrique De Anda, City Manager's Budget Office
From: Chris Morrissey, Executive Director *CM*
Subjects: Invoices for Reimbursement for Capital Repairs and Replacements at SAP Center at San Jose and Solar4America Ice at San Jose
Date: October 31, 2018

Please find attached the following invoices and supporting documents relating to City Council-approved capital repairs and replacements for SAP Center at San Jose and Solar4America Ice at San Jose:

SAP Center at San Jose Invoices

<u>Invoice Number</u>	<u>Invoice Amount</u>	<u>Invoice Date</u>
8156 (FY 2016-17)	\$178,555.21	9/30/18
8155 (FY 2017-18)	\$1,565,859.82	9/30/18

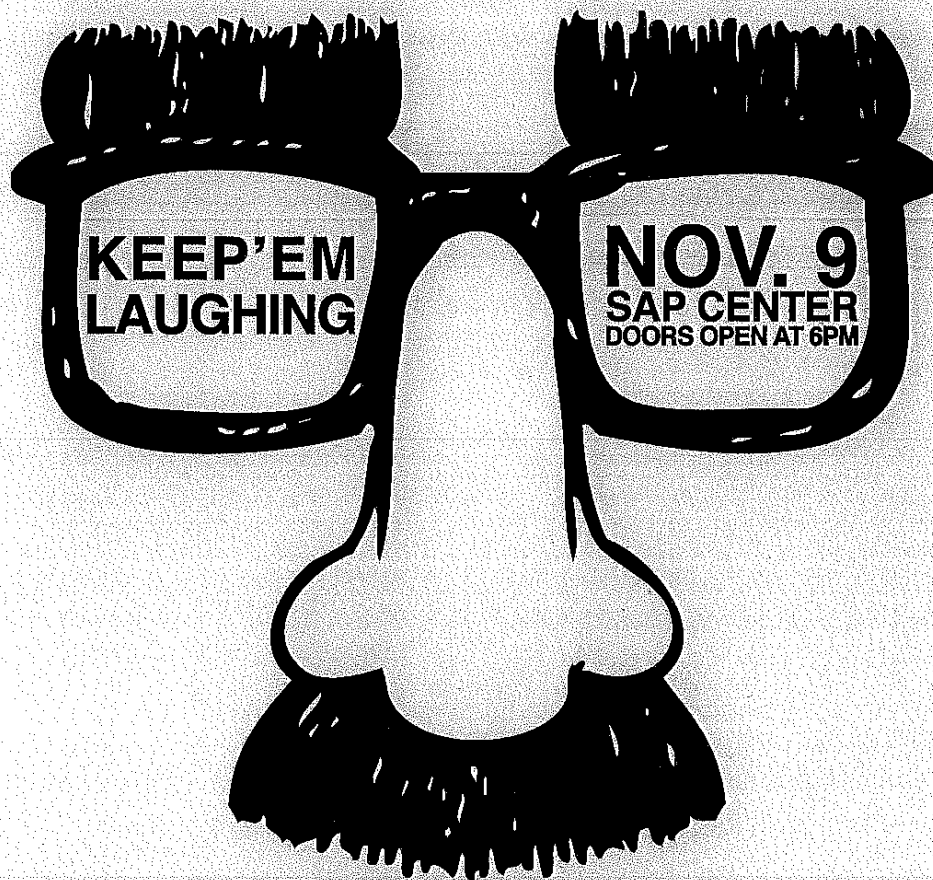
Please note that a portion of the unanticipated repairs listed on Invoice 8155 was applied for physical/safety barriers now located in front of the Center.

Solar4America Ice at San Jose Invoices

<u>Invoice Number</u>	<u>Invoice Amount</u>	<u>Invoice Date</u>
8181 (FY 2013-14)	\$1,949,333.00	9/30/18
8180 (FY 2017-18)	\$1,876,901.21	9/30/18

Please note that I have taken an opportunity to inspect all work listed on the invoices with Rich Sotelo, Vice President of Building Operations with SAP Center Management and Jon Gustafson, Vice President at Solar4America Ice at San Jose and have found the work to be of a satisfactory nature. Additionally, I have checked the invoices and supporting documents for accuracy and found them to be complete. If you have any comments or questions relating to these items, please contact me directly at morrissey@sjaa.com or at 408-977-4783. Also, please advise the Arena Authority when the reimbursement check is available for delivery.

cc: Members of the San Jose Arena Authority Board of Directors



14th ANNUAL COMEDY FOR KIDS FUNDRAISER

HONORING CAMILLE LLANES-FONTANILLA,
EXECUTIVE DIRECTOR OF SOMOS MAYFAIR

FEATURED COMEDIANS



**MIKE E.
WINFIELD**



**LUZ
PAZOS**



**BUTCH
ESCOBAR**



**RACHEL
WARNER**

HONOREE



**CAMILLE
LLANES-
FONTANILLA**

EMCEE



**MARLA
TELLEZ**

WHAT TO EXPECT

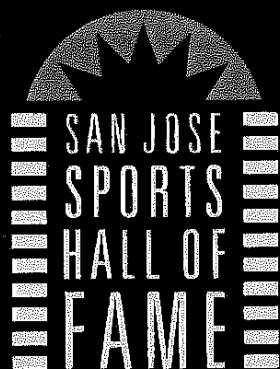
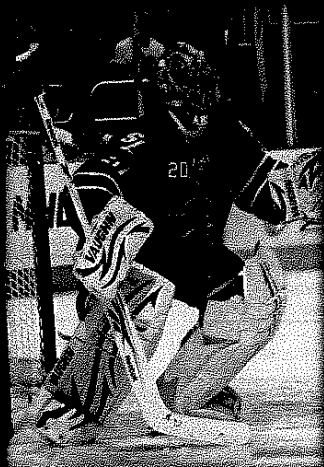
6:00 P.M.	DOORS OPEN SILENT AUCTION & NO-HOST BAR
7:30 P.M.	OPENING REMARKS BY EMCEE MARLA TELLEZ
7:35 P.M.	RACHEL WARNER
7:55 P.M.	BUTCH ESCOBAR
8:15 P.M.	SHORT BREAK <i>DON'T JUST SIT THERE...GO CHECK OUT THE SILENT AUCTION!</i>
8:35 P.M.	"COMMUNITY HERO" PRESENTATION HONORING CAMILLE LLANES-FONTANILLA, EXECUTIVE DIRECTOR OF SOMOS MAYFAIR
8:50 P.M.	LUZ PAZOS
9:15 P.M.	FINAL BREAK <i>THIS IS YOUR LAST CHANCE TO BID ON SILENT AUCTION ITEMS! GO! GO! GO!</i>
9:30 P.M.	MIKE E. WINFIELD
10:00 P.M.	COMEDY SHOW ENDS SILENT AUCTION PICK-UP

**THANK YOU FOR JOINING US THIS EVENING. YOUR CONTINUED
SUPPORT HELPS KEEP ESSENTIAL PROGRAMMING AVAILABLE
TO YOUTH THROUGHOUT SAN JOSE.**



VICE MAYOR MAGDALENA CARRASCO

BENEFITTING KIDS RECREATION & MUSIC PROGRAMS IN SAN JOSE



**HONORING LEGENDS WHO
PLAYED IN OUR OWN BACKYARD**

presented by

HERITAGE
BANK OF COMMERCE



**WEDNESDAY, NOVEMBER 14, 2018
INDUCTION CEREMONY AND DINNER**

SAP

The San Jose Sports
Hall of Fame

THANKS

the San Jose Arena Authority
for their dedication
and partnership for the
past 24 years.



San Jose Arena Authority Board Members

Leslee Hamilton, **Board Chairperson** | John Kennett, **Board Vice Chairperson**

Matthew Bright, **Board Treasurer** | Eva Terrazas, **Board Secretary**

Scott Bruner | David Buchholz | Jonathan Clough | Eileen Consiglio | Carl Honaker

Colleen Reilly | Kathy Sutherland | Vinni Walia | Rusty Weekes, **Board Members**

Ex-Officio Board Members - Loren Haley, **City Manager's Office**

Dev Davis, **San Jose City Council** | Donald Rocha, **San Jose City Council**

Nicole Inamine, **Mayor Sam Liccardo's Office**

Executive Staff - Chris Morrissey, **Executive Director**

Shelly Wang, **Administrative Manager** | Elizabeth Klotz, **City Attorney Liaison**